including its broadcast ownership rules "limiting the number of stations that a person can own on both the national and local levels and those limiting the ownership interests that broadcasters may have in other media." Id. ¶ 60 (emphasis added). These structural rules. the Commission observed, "are intended to assure that information is dispensed from 'diverse and antagonistic sources.'" Id. (quoting Associated Press v. United States, 326 U.S. 1, 20 (1945)).

The Commission then confirmed that its indirect attempt to ensure viewpoint diversity led the Commission to promote two other kinds of diversity, outlet and source diversity, that the Commission regarded as important to ensuring "the ultimate goal of providing the public with a variety of viewpoints." Id. ¶ 61. Importantly, the Commission also acknowledged in the Television Further Notice that it was possible to maintain or enhance programming diversity without satisfying the two ancillary objectives of source or outlet diversity: "there is information to suggesting that it may be possible to have a decrease in outlet [ownership] diversity without a corresponding decrease in viewpoint diversity." Id. ¶ 62.[48]

The Commission has recognized these same principles in other contexts as well. In liberalizing its om-to-a-market rule waiver policy, the Commission noted that its broadcast ownership rules limited the number of outlets any single entity or individual could own

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[48] Then-Chairman Hundt reiterated this conclusion in a speech presented to the American Bar Association: "Structural rules promoting outlet and source diversity, however, do not necessarily give us either voice or program diversity." 1996 FCC Lexis 1504, 3. Chairman Hundt went on to acknowledge that two of the Commission's rules designed to promote source and outlet diversity, the fin/syn and Prime Time Access rules, "were at best not working, and at worst were actually counterproductive" to the Commission's ultimate objective of promoting program or viewpoint diversity. Id.

"so as to foster viewpoint diversity." Amendment of Section 73 3555 of the Commission's Rules, the Broadcast Multiple Ownership Rules, Second Report and Order, 4 FCC Rcd. 1741, ¶ 16 (1989). It then confirmed "that diversity of ownership [i.e. outlet diversity] per se is not an end in itself Rather the Commission has encouraged diversity of ownership simply as a means to achieve the public interest goal of promoting diversity of viewpoints." Id. ¶ 16. In adopting a liberalized waiver policy, the Commission recognized that a decrease in ownership diversity could actually enhance local news and public affairs programming diversity: "the joint ownership of two or more media outlets in the same market does not necessarily lead to a commonality of viewpoints by those outlets. . . . we conclude that relaxing the cross-ownership rule should not significantly affect diversity of viewpoints and should further programming and other public interest goals." Id. 1744, ¶ 18.

In an earlier notice proposing to modify the so-called "seven station rule" that limited the number of AM, FM or TV stations a single entity could own nationally, the Commission similarly acknowledged that "[a]n issue which is fundamental to the Commission's consideration of diversity is the relationship between diversity of ownership and diversity of viewpoint . . . [w]hile all rules limiting ownership tend to increase the total number of owners, such rules do not necessarily guarantee greater diversity of program content or advance the welfare of individual viewers." Amendment of Sections 73 35, 73.240, and 73.636 of the Commission's Rules Relating to Multiple Ownership of AM, FM and Television Broadcast Stations, Notice of Proposed Rule Making, 95 F.C.C.2d 360.1 58 (1983) (internal quotation marks omitted)." The Commission decided to liberalize the "seven station rule" in part due to finding that less ownership diversity increased viewpoint diversity: "[t]he fact that such diversity of viewpoint in local news reporting and in editorializing on local issues exists alongside a group or network ownership structure means that it is indeed possible to have greater viewpoint diversity than there is ownership diversity." 1984 Multiple Ownership Report, Report & Order, 100 F.C.C. ¶ 52 (1984). Thus, to the extent the Commission considers its diversity objectives in determining whether to maintain the Rule and its related waiver policy in its current form, it must consider the impact of the Rule and its related waiver policy on viewpoint diversity in programming received by the public, not whether the Rule furthers the ancillary interests of outlet or source diversity.

The Television Further Notice also provided further guidance regarding the Commission's diversity interests. Specifically, the Notice confirmed that the type of programming the Commission is concerned with in its diversity analysis is local news and public affairs programming:

> When we talk about diversity, we generally are referring to diversity in the presentation of news and public affairs programming. While diversity of entertainment formats and programming is desirable, we have traditionally left it to marketplace forces to determine their appropriate availability and mix.

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[49] The Commission observed that before it could determine if greater programming diversity resulted from promoting ownership diversity, an "examination of the costs which the rules impose" must be performed. Id. at 394. As detailed more fully below, the costs imposed by the Rule and its waiver policy have stifled the development of enhanced programming diversity, especially the development of new and/or enhanced local television news programming.

Television Further Notice ¶ 66 n.93. The Commission reiterated this conclusion later in its diversity discussion. noting that "our core concern with respect to diversity is news and public affairs programming especially with regard to local issues and events." Id. at 3557, ¶ 72.[50]

This observation is also instructive to the Commission's analysis of the Rule in this proceeding. In demonstrating that the continuation of the Rule and its waiver policy will enhance the diversity of viewpoints in programming received by the public, the Commission must show that the Rule will enhance local news and public affairs programming diversity. As demonstrated below, this is something the Commission cannot do, especially in the largest markets where the number of stations and level of competition has increased dramatically since the Rule was adopted.

C. The Rule and Its Related Waiver Policy's Absolute Focus on Maintaining Ownership Diversity Does Not Ensure Diversity of Viewpoints in Programming, Especially Local News and Public Affairs Programming.

The Rule --which essentially exalts the preservation of ownership diversity over any other fact or circumstance – cannot be justified in today's largest media markets by the Commission's interest in preserving or enhancing the diversity of viewpoints in programming,

[50] The Commission has repeatedly recognized that news and public affairs programming is the type of programming that its multiple ownership rules were designed to encourage. See, e.g., Amendment of Section 73.3555 of the Commission's Rules, the Broadcast Multiple Ownership Rules, Second Report and Order, 4 FCC Rcd. 1741, 1748,155 (1988) (noting argument that increased group ownership "will enhance programming diversity, especially with regard to the type of programming that the multiple ownership rules were intended to encourage -- news, public affairs, and non-entertainment programming"),

especially local news and public affairs programming. Despite the Commission's gratuitous assertion that "[p]romoting diversity in the number of separately owned outlets has contributed to our goal of viewpoint diversity by assuring that the programming and views available to the public are disseminated by a wide variety of speakers," NOI ¶ 4, today's marketplace realities tell a different story.

1. Maintaining Ownership Diversity By Itself Does Not Enhance Local Programming Diversity.

The Commission's bald assumption that maintaining ownership diversity enhances local programming diversity, especially local news and public affairs programming diversity, ignores today's marketplace realities. As illustrated by the market circumstances facing Tribune's station in Miami, several other factors wholly independent of ownership diversity are far more significant in determining whether a station will make new local news programming available to a market. In order to continue to encourage local news and public affairs programming diversity, the Commission needs to recognize these other factors and liberalize the Rule or its related waiver policy by permitting diversity-enhancing newspaper-television combinations.

At the time Tribune acquired WBZL the station was actively considering the possibility of starting a new local newscast. In so doing, the station faced some sobering market facts -- namely the significant entry barriers. First, the start-up capital costs for a new thirty-minute news broadcast were staggering – estimated at approximately $1.5 to $2 million. Included in these estimates were costs for edit and post production facilities ($280,000); a filly equipped ENG truck ($200,000); a microwave repeater site to bring live news stories into the station ($250,000); an engineering and playback control and studio upgrade ($500,000); and six video cameras and accessories ($500,000). In addition to the initial capital costs, the station also needed to fund an annual operating budget of approximately $2 million to cover wage and fringe benefit costs of its new news employees as well as the costs of various news services.

Second, even assuming the station had the capital to launch the newscast, there was no guarantee of success. The station faced an extremely competitive news market with six different local television newscasts -- four of which were on the VHF affiliates of the top-four national networks. These local newscasts, which were established, successful and backed by well-financed operators including General Electric/NBC, Post-Newsweek, Sunbeam, Westinghouse/CBS and Telemundo, made the economics of the new newscast even more daunting. Any new newscast on WBZL faced an even greater challenge to establish an identity with local viewers and begin to produce meaningful ratings -- a crucial event in any successful local news launch as it marks the point when advertiser revenues begin to offset the broadcast's operating and capital costs.

Rather than make the enormous capital commitment needed to launch a new newscast in these circumstances, WBZL (prior to becoming a Tribune station) contracted with the local NBC owned and operated station for production of a news broadcast. The thirty-minute, 10 p.m. news broadcast features on-air talent and stones generated by the NBC station's news department. Thus. while WBZL has provided additional news programming to its viewers, its newscast does not provide a new source of television news in Miami because it is created and produced by the NBC station that already produces several local newscasts of its own.

The situation faced by WBZL and the news programming agreement it ultimately signed are not unique. Tribune estimates that there are similar arrangements in 10-15 other television markets around the country -- not counting any news broadcasts produced among the estimated 78 television Local Marketing Agreements in existence where the second station's entire broadcast day is programmed by another station in the market. While the terms of these arrangements vary. the one constant is that -- contrary to the Commission's interest in encouraging new local news programming -- the over-the-air viewers in the market do not receive a new source of local television news programming. For many of the newer UHF stations, the alternative to a news programming agreement like WBZL's (or an LMA or time brokerage agreement that includes a news broadcast) is no local newscast at all. As noted above, only one of the seven UHF stations in the Chicago and Miami DMAs that signed on after the Rule was adopted produces its own local newscast and that broadcast, on Barry Diller's WAMI in Miami. started only in June of this year.

The advent of these local news programming agreements, and the number of UHF stations across the country that broadcast no local news programming, reflect several important factors ignored by the Commission's current waiver policy. First, as noted above, there has been a significant increase in the number of UHF stations since the Rule was adopted in 1975. At that time, there were 192 commercial UHF stations. At the end of 1997, by contrast, there were 619 commercial UHF stations, representing a 300 percent increase.

Second, these UHF stations are in significantly different economic and competitive positions than the traditional VHF stations the Commission had in mind when it adopted the Rule. WBZL's circumstances are a case in point. Each of the four VHF network affiliates has a long-standing history with Miami viewers with operations having commenced in 1949. 1956, 1961 and 1967 respectively. By contrast, WBZL signed on Channel 39 as an independent station in 1982. By that time, competition from the cable industry had significantly developed and Miami's viewers had multiple video programming channels to choose from. WBZL had no established viewing pattern to rely on and more importantly, the efficiencies available to the cable industry have enabled the national cable networks to siphon off some of the traditional programming used by independent stations, such as first-run movie packages, to attract audiences.

Third, in Miami and most other large markets, local television news competition is already intense. Each of the affiliates of NBC, CBS and ABC typically have established local news departments producing multiple hours of local news programming daily. Fox, for its part, has been pushing its affiliates to start local news operations for several years and most of its major market affiliates now do so. These competing local news operations make a successful local news launch even more difficult.

The competition from the cable industry for audience share and programming and the presence ofwell-established local television news operations combine to put the enormous costs of starting a new local news broadcast beyond the capacity of many of these newer UHF stations -- who must also plan to invest in digitial television technology. Many of these stations are affiliates of short-lived new networks, face high syndicated program costs. and lack the cash flow or resources to support the start-up of a local news broadcast.

As one commentor observed in an earlier proceeding, "the Commission's dogged pursuit of the widest possible dispersion of station owners has a perverse effect of assuring that no group owner can become strong enough to establish an independent voice separate and apart from the networks." J984 Multiple Ownership Report, 100 F.C.C.2d. at 35 ¶ 58. Here, the Commission's dogged pursuit of ownership diversity has prevented other local stations from establishing new local newscasts separate from the network affiliates. Without action to permit stations to overcome the significant local news entry bamers highlighted above, Tribune submits that newscasts produced by competing stations, which do not provide viewers with a new source of local television news programming, will be the best the over-the-air viewers will get from the marketplace. One way to help overcome these entry barriers is to liberalize the Rule. As demonstrated in the next section, Tribune has created significant video news programming efficiencies for cable viewers -- efficiencies that could help to overcome the entry barrier to the start-up of new local television news broadcasts.

2. The Rule and Its Waiver Policy Stifle Efficiencies That Could Significantly Enhance Local News Programming Diversity.

Despite the Commission's absolute prohibition on creating new television-newspaper combinations and its unmistakable chill on developing synergies between existing television-newspaper combinations, Tribune has been at the forefront of developing efficiencies between newspapers and other video programming outlets — most notably cable news channels. These efficiencies include taking the extensive content generated by a newspaper and translating it into new local video news programming that would be unavailable but for the relationship between the newspaper and the video outlet. Despite the fact that these combinations present no threat to competition in the marketplace of ideas given the variety and sheer number of outlets in the largest media markets, this new video news programming has been artificially walled off from over-the-air television viewers by the Commission's rigid Rule and waiver policy. Ironically, the Commission's Rule and waiver policy have penalized over-the-air viewers by creating a news and information shortfall between cable subscribers and those that do not or cannot subscribe -- a result seemingly at odds with the Commission's interest in enhancing news and public affairs programming diversity for all Americans. Given the miniscule threat to competition in the marketplace of ideas posed by these combinations and the significant benefits that these combinations can produce -- benefits described more fully below, Tribune submits that the Commission must liberalize its waiver policy in the largest media markets.

Driven in part by the recognition that consumers were increasingly demanding news and information outside of the traditional daily newspaper delivery mechanism, Tribune invested several million dollars in 1992 to create CLTV — an all-news twenty-four-hour-a-day cable channel in the Chicago area. Tribune's objective was to expand the reach of its extensive newspaper content and develop newspaper-video synergies. One of CLTV's innovative features was its electronic link to the newsroom of the Chicago Tribune, where Tribune reporters could be interviewed by CLTV anchors about current stories and events they were covering.

Tribune's goal was no small one. Given the very stark differences between the cultures of newspapers and video news outlets, there was considerable doubt that the newspaper's content could ever be successfully translated to a video format.

CLTV has evolved into a model of programming efficiency in which the depth of knowledge and extensive resources of the Chicago Tribune and its staff are converted into new, enhanced video news programming for an entirely new audience — an audience that increasingly relies less on daily newspapers for its news and information. The programming synergy developed between CLTV and the Tribune is extensive — ranging from the immediate availability of Tribune beat writers with extensive subject matter knowledge to enhance the coverage and explain the significance of breaking news stones to the sharing of the newspaper's investigative news stones that are adapted and produced for video news exhibition as well. For example, in just the past few weeks, Tribune content has been used to enhance and support CLTV's news programming in the following ways:

- The Tribune foreign editor provided in-depth analysis to CLTV's coverage of the Indonesian financial crisis as well as the nuclear testing in both India and Pakistan;

- The Tribune environmental reporter provided a new slant to CLTV's coverage of Commonwealth Edison's recent struggles to meet the electricity demands brought on by a recent heat wave by tracing the local utility company's nuclear-power plant missteps in previous years leading to the capacity crunch;

- The Tribune arts writer provided immediate comment and analysis from the artistic community's perspective of the Supreme Court's recent decision on NEA funding;

- The Tribune telecommunications reporter provided immediate analysis and additional detail to supplement CLTV's coverage of the proposed merger between AT&T and TCI;.

- The Tribune helped create video versions of an extensive two-year investigative report it published documenting the financial practices of several child-sponsorship organizations.

CLTV also features regular appearances by a number of Tribune columnists and writers who prepare video versions of their popular columns or features, including Daily Business Reports, Theatre Reports, Movie Reviews, Restaurant Reviews, a Computer Connection Feature, a local community-affairs calendar, TV Reviews, Entertainment Reviews, and regular segments on local High-School Sports. Finally, CLTV features Tribune reporters on a number of thirty-minute programs including: the "Chicagoiand Journal," a local issues-oriented program featuring various Tribune reporters highlighting local issues, news or concerns in communities they cover on a daily basis for the newspaper; "Good Eating," featuring reporters and segments adapted and enhanced from the Tribune's weekly Good Eating section; "Jobs Plus," featuring Tribune's employment columnist plus segments on employment trends and careers featured in the Tribune; and "Making Money," featuring Tribune business reporters discussing stories they have covered in the past week.

For Tribune, this new video programming makes eminent economic sense by capitalizing on the extensive content-generation resources of its daily newspaper and reformatting it for video distribution. The Chicago Tribune's news operation has a staff more than ten times the size of CLTV's news department and five times the size of WGN-TV's news department. White the news departments of video-programming outlets typically rely on small news teams and general-assignment coverage for the bulk of their reporting, the Tribune's news staff includes suburban bureaus and focused beat coverage in a wide variety of topics and specialty areas that naturally generate extensive local expertise and experience. The costs of replicating this information-gathering network for a video-programming outlet such as CLTV or WGN would be prohibitive. Instead, Tribune's common ownership and willingness to make a significant long-term capital investment lead to the creation of new local video programming using newspaper content.

CLTV is not simply today's edition of the Tribune on television. Nor is it the Chicago Tribune's editorial perspective brought to a cable-television audience. It is first and foremost a professionally produced, independently-created television news product with an independent editorial perspective. This separation has been essential to the success of CLTV. Based on its extensive experience in both the television and newspaper businesses, Tribune recognized the very different nature of their news products and the need to create a separate management team of television news managers focused on adapting newspaper content, where appropriate, into a format that worked for the video-programming viewer. What is significant about CLTV is that it is a television news product that draws upon the immense depth and local content developed by the Chicago Tribune's journalists. CLTV takes that content and converts it in a variety of ways to local television news programming that would not otherwise be available.[51]

Following the successful launch of CLTV, Tribune took another step at pioneering cross-media efficiencies by investing several million dollars to create its Washington, D.C., Media Center — a state-of-the-art news gathering facility that combines the Washington

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51 The Chicago Tribune recently invested over $1 million to expand its video-programming creation capacity and enhance its ability to share that content beyond CLTV to WGN -TV and Tribune's other television stations. This investment, like the original investment in CLTV, is designed to further expand the reach of Tribune's content.

bureaus of its television stations and newspapers. Once again, the objective was to begin to share and expand the use of the content that these bureaus traditionally created exclusively for the television or newspaper groups and to identify ways in which the content creation process could be improved and enhanced by sharing resources. After overcoming the same institutional concerns among employees in the two bureaus, the Media Center has evolved into another model of newspaper-television efficiency. It employs a 2-to-1 ratio of newspaper and broadcast reporters/editors who regularly collaborate and share information about developing news stories. Both print and broadcast personnel regularly participate in each other's editorial meetings. The chief broadcasting and print editors sit at a joint news desk where they can easily communicate about breaking news and events. This combination has resulted in several instances in which a television employee and a print reporter have shared byline credit for stones originally developed to cover one angle of a news story on television and then further refined or expanded for publication in a Tribune newspaper story. Similarly, several Tribune print reporters have done their own stories for Tribune television.

Like CLTV, the Media Center capitalizes on the expertise and knowledge of Tribune's newspaper writers who regularly provide additional depth and insight to the news coverage provided to the viewers of CLTV and Tribune's twelve television news departments. This synergy has allowed Tribune to provide a new independent source of national news coverage to the viewers in its markets. In addition. this combined media presence also permits Tribune to enhance and even localize this national news coverage for its television stations by adding interviews with local Congressmen to supplement a basic news story or allowing one of the Tribune print reporters to provide additional depth and insight on a story of particular interest to a

Tribune television community. In addition, Tribune's Washington, D.C. reporters prepare a weekly D.C. Journal segment for CLTV that typically converts, refines and supplements for video presentation a recent newspaper story they prepared.

Precluded by the Rule from pursuing those efficiencies at a local over-the-air station, Tribune's daily newspaper in Orlando, the Orlando Sentinel, recently joined forces with Time Warner to launch late last year the Central Florida News Channel ("CFN"), a new 24-hour-a-day cable news channel. Like CLTV, CFN captures the extensive content and depth of a daily newspaper and converts that information to video news programming, Like CLTV, CFN also has its own news management team that separately exercises editorial control over the use and placement of Sentinel content in CFN's news programming. Finally. like CLTV, this combination provides new local news programming that would otherwise not be available to local viewers. Unfortunately, this new local news programming is available only to Orlando's cable viewers.

Tribune notes that it is not the only news organization recognizing the benefits from revising and extending its print content across various media. CNN recently launched its Newsstand video news-magazine series seeking to expand the reach of some of Time Inc.'s most popular magazines, Time, Fortune and Entertainment Weekly. See "CNN's busy Newsstand," Electronic Media, June 1, 1998. CNBC and the Wall Street Journal recently announced the completion of a formal programming alliance that gives CNBC on-air access to reporters, internal story conferences, and advance access to stories running on the Dow Jones Newswires and in Dow Jones' financial magazines. "CNBC Plans Close Ties to WSJ," Cowles-SIMBA Information Media Daily, April 28, 1998; "Synergy at CNBC, Dow

Jones," Electronic Media, April 27, 1998. A June 1998 survey of Internet usage confirmed that 15 of the 28 most popular websites were maintained by major media companies or networks, including (in order of popularity) MSNBC, ESPN, Disney, CBS Sports, ABC News, CNNSI, The Washington Post, The New York Times, CNNFn, ABC, NBC and CBS.[52]

Tribune submits that the Commission can no longer afford to deprive over-the-air viewers the benefits of these new programming efforts. Tribune emphasizes that success in these ventures is in no way guaranteed simply by having access to a newspaper's or a magazine's content. As the President of Time, Inc./CNN Productions recently observed: "You can't just take a print medium and put that on the air. You have to be true to the brand name and mission, but also be true to television." "Print and TV Move Under a Single Roof," Christian Science Monitor, April 3, 1998, at B7. Tribune's experiences at CLTV and the Media Center confirm the observation of the managing editor of Sports Illustrated that print reporters have to take the "thoughtful perspective of the magazine and learn to make good television." Id.

Free from the constraints of the Rule with respect to cable television ventures, Tribune has developed the ability to take the content of a newspaper and convert it into "good cable television" news programming. Tribune has had less success bringing these same efficiencies to over-the-air television. Several of its newspapers currently participate in informal alliances with independently owned television stations serving the same market. Unlike Tribune's cable ventures, which involved substantial, long-term financial commitments by a committed

[52] "RelevantKnowledge ranks the sites," Broadcasting & Cable, July 13. 1998 at 51.

common owner and that resulted in the creation of substantial amounts of new local video news programming, these informal over-the-air television alliances typically involve almost no up-front capital investment and can be terminated on very short notice. Because the newspaper has no incentive to make any kind of a long-term investment in developing an audience for a television station that does not already have a newscast, the alliances involve well-established stations with established news departments. Because of their informal, indefinite nature, the alliances produce far fewer instances of new local news programming. While the benefits produced by those alliances are important, they do not begin to approach the benefits that a common owner could achieve if committed to starting a new television news broadcast enhanced by the resources of a daily newspaper. Tribune submits that such an undertaking could only occur if the newspaper is permitted to own the station involved.

3. The Commission Should, at a Minimum, Liberalize its Rule or the Waiver Policy in the Largest Markets.

Tribune submits that it is time for the FCC to eliminate the obstacle created by the Rule and the waiver policy preventing the realization of these same local news programming efficiencies in the over-the-air industry. As noted above, more and more media companies are expanding the use of their content across different media to create new and innovative products. The question for the Commission is whether over-the-air viewers should continue to be deprived of these new products.

While the 24-hour-a-day news channel may not be an appropriate model for an over-the-air station, there can be little question that newspaper-television cross-ownership would clearly enhance local television news programming -- the Commission's core programming diversity objective. Such action would help to overcome the significant entry barriers to the start-up of new local news broadcasts discussed above. While many of the same capital investments would still be necessary, a newspaper would provide depth and credibility to a new local newscast and increase the chances it would establish a local audience – a result that would lead to new television news programming and increased television news competition. As Tribune has demonstrated, newspaper content can be transformed into new video news programming -- news programing that has been kept from over-the-air viewers by the Rule and the Commission's restrictive waiver policy.

There is little risk from the liberalization of the Rule or its waiver policy in the larger markets. Newspaper companies like Tribune, far more than any individual television station owner, have already invested extensively in developing news gathering resources. These newspaper companies are increasingly interested in reformatting that content to reach a younger audience that relies less and less on newspapers for their news and information -- a reformatting process that will continue to the exclusive benefit of cable subscribers if the Commission fails to act in this proceeding. Permitting cross-ownership will allow these efficiencies to benefit over-the-air viewers by giving the television stations access to news gathering resources that they could never afford independently and create the opportunity for new, enriched local video news programming that would not otherwise be available. Given the Commission's principal focus on enhancing diversity in local news and public affairs programming, Tribune submits that the

Commission should liberalize the Rule or its waiver policy in the largest media markets. In large markets with three or four already established local newscasts, Tribune submits that such a change is necessary to help overcome the significant obstacles impeding the start-up of new local newscasts.

In addition to helping to offset a significant entry barrier to the start-up of new local news broadcasts, the common ownership of a television station and a newspaper would also create possibilities for enhanced political and public affairs programming that would serve the community. Tribune regularly supplements WGN's and CLTV's local election coverage by featuring the Tribune's various newspaper reporters commenting on the races they have covered in the newspaper as well as the Tribune's political commentators interpreting the election results. The news departments of CLTV and the Tribune also collaborate to collect up-to-the-minute local election results from around the city and simultaneously display that information on CLTV (on a repeating crawl message) while posting it on both CLTV's and the Tribune's websites. Tribune similarly enhances its coverage on both CLTV and WGN of the Governor's State of the State address by featuring Tribune's writers who cover the governor and the Illinois State House and who again add depth and nuance to the coverage. Because this kind of enhanced local political coverage lies at the core of the First Amendment's concern for a well-informed citizenry, Tribune submits it is yet another local programming diversity factor supporting the liberalization of the waiver policy.

The common ownership of the newspaper and television station also would permit Tribune to invest heavily in developing its websites where it can make its content available in yet another format. Tribune has invested substantial resources in creating websites that provide up to the minute news (with stones that sometimes have not appeared in the newspaper) and local community affairs information – news and information that is supplemented with video news programming from WGN-TV and CLTV. The Internet eliminates the space constraints faced by a newspaper. Its users are now increasingly demanding video content to supplement textual information. The common ownership of a newspaper and television station provides a significant opportunity to enhance the news and information made available to the public in yet another new format -- a result that Tribune submits is decidedly in the public interest.

Finally, to the extent that the presence of newspaper content and newspaper reporters on television raises the visibility of newspapers among a younger generation of non-newspaper readers, Tribune submits that the public interest will also be served. This increase in visibility, plus the obvious possibility of public service campaigns between media promoting newspaper readership, raises the real prospect of improving newspaper literacy in younger generations. For these reasons, Tribune submits that the time has come for the Commission to liberalize the Rule or its waiver policy (at the very least) to permit local, over-the-air viewers to benefit from the many positive enhancements that the common ownership of a newspaper and television station creates. There can be little doubt that these enhancements will serve the public interest.

VII. CONCLUSION

The modem media marketplace has rendered the Commission's cross-ownership rule and related waiver policy obsolete. In addition, the Rule does not and possibly never has served its intended purpose of furthering programming diversity. Indeed, in today's competitive media market -- in which ownership restrictions have been lifted for virtually all other combinations -- the Rule is actively impeding newsgathering synergies that would improve the scope and content of local news broadcasts and public affairs programming. The Rule elevates form over substance by ignoring various media that compete with the over-the-air television industry for audience share. For these reasons, Tribune respectfully requests that the Commission propose to repeal the Rule in its entirety or, at a minimum, substantially liberalize its waiver policy in the largest media markets.

Respectfully submitted:

TRIBUNE COMPANY

R. Clark Wadlow
Thomas P. Van Wazer
Katherine L. Ad——
Sidley & Austin
1722 Eye Street, N.W.
Washington, D.C. 20006
(202) 736-8000

Crane H. Kenney
Charles J. Sennet
Dale M. Cohen
Tribune Company
435 N. Michigan Avenue
Chicago, IL 60611
(312)222-9100

Its Attorneys

ATTACHMENT 1

DECLARATION

I, Jack Fuller, hereby declare as follows:

1. I am the President of Tribune Publishing Company. In my capacity as President of Tribune Publishing, I am responsible for the oversight and control of all publishing operations for Tribune Company, including the Company's four daily newspapers and ChicagoLand Television News, Inc. ("CLTV"), the Company's 24-hour cable news station. Prior to being named President of Tribune Publishing, I worked in various capacities in the newspaper industry for over 36 years. A copy of my biography is attached hereto.

2. The newsgathering and reporting of the Company's various media are founded on the principles of honesty, integrity and dedication to accurate reporting. The greatest asset of each of Tribune's media is the public trust that comes from consistent, truthful reporting of the news. The business of the Company's media franchises would suffer if the public thought their news reporting was anything but impartial. On many occasions, the Company's media franchises have reported critically on the activities of the Company or one of its business units.

3. The Company protects the public trust by engaging professional journalists to investigate and report the news. The Company also recognizes that public expectations for print, broadcasting and online media vary significantly. For this reason, the Company allows the operators of each media franchise to engage their own journalists and select programming or content that is appropriate for their audience. The result is the production of news content that necessarily varies in approach and perspective among the Company's media operations.

Jack Fuller

TRIBUNE:

Biography

JACK FULLER

President,
Tribune Publishing Company

Jack fuller became president of Tribune Publishing Company in May 1997. He started as a copyboy at the Chicago Tribune when ha was a 16-year-old high school student and later served as a Tribune reporter in Chicago and Washington, D.C. As editor of the editorial page of the newspaper, he woo the Pulitzer Prize f a editorial writing in 1986. In 1989. he became editor of the Chicago Tribune and later was appointed publisher and CEO.

In 1969 and 1970, he was an enlisted man in the United States Army, including a year as a Vietnam correspondent for Pacific Stars and Stripes. He also served as a special assistant tu the U.S. Attorney General in 1975 and 1976.

A native of Chicago. born October 12, 1946, Mr. Fuller holds a bachelor's degree in journalism from Northwestern University and a juris doctorate from Yale Law School. He is on the board of directors of the Robert R. McCormick Tribune Foundation and the Inter-American Press Association; a trustee of tho University of Chicago and The Field Museum; a member of the Pulitzer Prize Board and the Inter-American Dialog; and a Fellow of the American Academy of Arts and Sciences.

Mr. Fuller is the author of "News Values: Ideas for an Information Age" and five novels: "Convergence," "Fragments," "Mass," "Our Fathers' Shadows" and "Legends' End."